Form MR-SMO (Revised October 20, 2005) This Section for DOGM Use:
Assigned DOGM File No.: S 10491055
DOGM Lead: Lynn Kunzler
Permit Fee \$ 150.00 Ck # 4011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940 **APPROVED**

FEB 1 2 2007

DIV. OIL GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

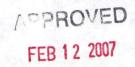
CENEDAL INCODMATION (Dule DEAT 2 104)

	GE	CNERAL INFORMATION (Rule RO47-3-104)
1.		Name of Mine: Barney Mine in Mascaro Draw Co.
		Name of Entity Applying for Permit: James B. Mascaka and Sons LL
2.		Name of Entity Applying for Permit: Values 1) 1000 COCO COCO COCO COCO COCO COCO COCO
		Contact (Authorized Officer): James Mascalo
		Address: 153a W. Jon Circle Herriman W.
		City, State, Zip: HelRiman Wah 84096 Phone: 801-446-9467 Fax: 801-302-5407
		Phone: 801-446-9467 Fax: 801-302-5407
		E-mail Address:
		Entity is a: Corporation () LLC (Sole Proprietorship (dba) ()
		Partnership () General or limited
		Individual () Other () – specify type)
		Entity must be registered (and maintain registration) with the State of Utah, Division
		of Corporations www.commerce.utah.gov.
		Are you currently registered to do business in the State of Utah? ✓ Yes ☐ No
		Entity # 87-0677536
		Local Business License # 47016 Issued by: County Saltake or City
		Issued by: County Solt a Ke or City
		Registered Utah Agent (as identified with the Utah Department of Commerce):
		Name: Ames B. Mascako 9 Sons LLC
		Address: 753910 Jen Pikele
		City, State, Zip: Helling Wah 8 696
		Phone: 601-446-9467 Fax:
		E-mail Address:

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Entities Representative (if differer Name:			FEB 1 2 200	7
Address:				
City, State, Zip:		ומ	V. OIL GAS & MI	MIN(
Phone:	Fax:			
E-mail Address:	1 αλ.			
If Partnership or Sole Proprietor: Name of 1 st partner / Sole Propriet Name				
Address:				
Address:				-
Dhono:	Fow			
City, State, Zip:Phone:E-mail Address:	rax			
If Partnership: Name of 2 nd Partner:				
Address:				-
City, State, Zip:Phone:				
Phone:	Fax:			
E-mail Address:				
Name of Officers:		_ Title: _ Title:		
Address: 1539 W. Jew. Phone: 116 - 5408 E-mail Address: 1539 W. Jew. Phone: 116 - 5408	mes B. Ma Circle Ut. \$4076 Fax:		<u> </u>	
Name of 2 nd Member/Manager:	Wendy V	Mas care	0	
Name of 2 nd Member/Manager:	(tircle	2.54		
City, State, Zip: Helliman	Wf. 84096	4	The second of the second of	
Phone:	Fax:			
E-mail Address:				
Name of 3 rd Member/Manager:				
City, State, Zip:				
Phone:	Fax:			_
E-mail Address:		-25		



N	James B. Moscaro	Address 753qw. Jem Circle
N	ame Wendy Wescarlo	Address 7539w. Jun Gircle
N	ame	Address
N	ame	Address
0	wnership of Minerals:	
S	tate Trust Land/School Section	main (BLM) □ National Forest (USFS) □ ons □ State Sovereign Lands □
	ther (please describe):	
N	ame James Mascako	Address 4539W. Jen Circle
		e Address 7539 w. Jem Circle
		Address
N	ame	Address
	BLM Lease or Project File	Number(s) and/or USFS assigned Project Number(s):
	BLM Claim Numbers Utah State Lease Number	r(s):
	BLM Claim Numbers Utah State Lease Number Name of Lessee(s)	r(s):
7.	BLM Claim Numbers Utah State Lease Number Name of Lessee(s) Have the above surface	r(s):
7.	BLM Claim Numbers Utah State Lease Number Name of Lessee(s) Have the above surface Yes	and mineral owners been notified in writing?
ease be a ining alone oploration ands Admi	BLM Claim Numbers Utah State Lease Number Name of Lessee(s) Have the above surface Yes	and mineral owners been notified in writing? No

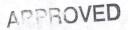
700S & 0 NAL II. PROJECT LOCATION & MAP (Rule R647-3-105) RECEIVED Project Location (legal description): South 12 of Southwest County(ies): Whah County NE1/4, of NE1/4, of NE1/4, of NE1/4. 1/4: Section: // Township: // S Range: 2 W NE1/4, of NE1/4, of NE1/4, of NE1/4. 1/4: Section: 2 Township: // S Range: 2 W NE1/4, of NE1/4, of NE1/4. 1/4: Section: 2 Township: // S Range: 2 W UTM East _____ (if known) UTM North (If known) Name of Quad Map for Location: Eulek 2. An accurate topographic base map showing the location of the proposed small mining operation must be submitted with this notice. The areas to be disturbed including access roads, must be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for. 3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that ED the next marker in either direction is clearly visible with the naked eye. FEB 1 2 2007 III. **OPERATION PLAN (Rule R647-3-106)** DIV. OIL GAS & MINING 1. Type of mining: Surface M Underground 2. Mineral(s) to be mined: Amount of material to be extracted, moved or proposed to be moved: 50,000 3. 4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process? Yes □ No 🛛 If yes, please describe (add extra pages if needed) Provide a brief description of the proposed mining operation and onsite 5. processing facilities (add extra pages if necessary). Collecting Kock Surface to Below - landing trucks and Salvacence □ New Road(s): Length /700 (ft) Width 20 6.

(ft)

Width

7.

☐ Improved Road(s): Length



FEB 1 2 2007

8. Total project surface acreage to be disturbed: (acres) PLEASE SPECIFY & MINING EXACT ACREAGE - (this will be used to determine surety bond amount. Osee AS & MINING #VI).

9.	Proposed startup date of project (month, year)	7-20-06	
10.	Proposed completion date of project, if known (n	nonth, vear)	

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to <a href="https://doi.org/10.1001/jhear

- 1. Keep the mining operation in a safe, clean, and environmentally stable condition.
- 2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
- Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aguifer contamination.
- Construct berms, fences, or barriers, when needed, above highwalls and excavations.
- 5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations. No fuel will be Stoked on Site
- 6. Remove all waste or debris from stream channels.
- 7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
- 8. Conduct mining activities so as to minimize erosion and control sediment.
- 9. Reclaim all roads that are not part of a permanent transportation system.
- 10. Stockpile topsoil and suitable overburden prior to mining.
- Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
- 13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Yes ☒ No □

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see **IV. Operation and Reclamation Practices** Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

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Justification:	Applicable Rule # (i.e. R647-3-109.10 (if you did not	want trenches & pits reclaimed)
Alternate method	ods or measure to be utilized:	
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2 nd Variance Re	equestea	FEB 1 2 20
Item # Justification:	Applicable Rule #	DIV. OIL GAS & I
Alternate method	ods or measure to be utilized:	
3 rd Variance Re	quested	
	Applicable Rule #	
Alternate method	ods or measure to be utilized:	
1 100 1	nogo If more veriences are requested	
ach additional	page If more variances are requested.	
	(Act 40-8-7(1)[c])	
SURETY	(Act 40-8-7(1)[c]) ntract and surety must be provided to a	and approved by the Division pri
SURETY reclamation commencement The Utah that all min	(Act 40-8-7(1)[c]) Intract and surety must be provided to a sof operations. Mined Land Reclamation Act (40-8-7 (1)[c] ming operations furnish and maintain reasouted is reclaimed according to accepted not	e] and 40-8-14 provides the authorit conable surety to guarantee that the
SURETY reclamation commencement The Utah that all mind affect conditions The surety amounts a	(Act 40-8-7(1)[c]) Intract and surety must be provided to a sof operations. Mined Land Reclamation Act (40-8-7 (1)[c] ming operations furnish and maintain reasouted is reclaimed according to accepted not	e] and 40-8-14 provides the authorite onable surety to guarantee that the tices consistent with on-site and duration of operations. The sure
SURETY reclamation commencement The Utah that all mind affect conditions The surety amounts a guide, alore Surety for	(Act 40-8-7(1)[c]) Intract and surety must be provided to a sof operations. Mined Land Reclamation Act (40-8-7 (1)[c] ming operations furnish and maintain reason ted is reclaimed according to accepted not a mount is based on the nature, extent an are based on data from current large mine.	and 40-8-14 provides the authority on able surety to guarantee that the tices consistent with on-site and duration of operations. The sure surety and are used as a general
SURETY reclamation commencement The Utah that all mind affect conditions The surety amounts a guide, aloue Surety for Division for	Act 40-8-7(1)[c]) Intract and surety must be provided to a sof operations. Mined Land Reclamation Act (40-8-7 (1)[c] ming operations furnish and maintain reasoned is reclaimed according to accepted not a mount is based on the nature, extent an are based on data from current large mine and with actual site conditions. In a mines sites will be escalated three (in a mount required for this project.)	and 40-8-14 provides the authority on able surety to guarantee that the stices consistent with on-site and duration of operations. The sure surety and are used as a general (3) years to the future. Contact the

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

> The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

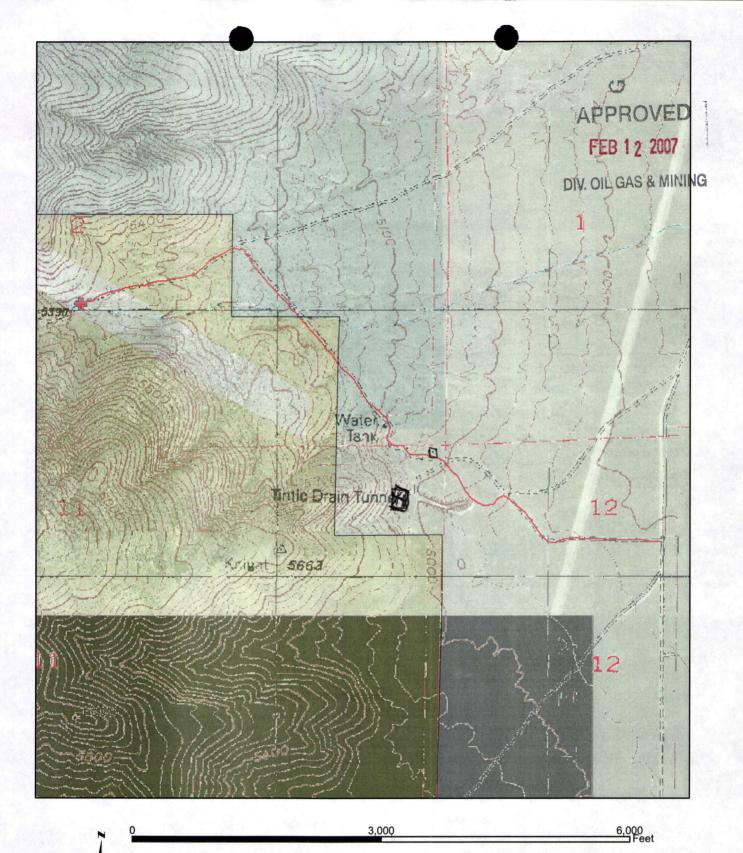
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Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

NOTICE: The following person(s) are authorized and designated to receive Notices of Violations Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:
Name: Mascaro Address: 7539w. Jun Circle City, State Zip: Herrinan UA 84096 Phone: 601-716-0408 Fax: E-mail Address:
Name: Sever Pecht. Address: 483 W. 5855 So City, State, Zip: Keerly Wall 84118 Phone: 60-913-5646 Fax: E-mail Address:
VIII. SIGNATURE REQUIREMENT
(Please check the box and place your initials on the line provided)
I have enclosed the required permit fee.
I have enclosed a complete Reclamation Contract (Form MR-RC) and the
appropriate reclamation surety amount or have made arrangements as to when the
surety will be furnished.
I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.
CERTIFICATION I state under penalty of perjury under the laws of the state of Utah and the United States of America that:
 a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND b. I commit to the reclamation of the aforementioned small mining project as required
by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the
Board of Oil, Gas and Mining. c. This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited);
owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.
A 4
signature: Vc Moseuro Date: 7-13-06
Name (typed or printed): April Mascarlo
Title/Position (if applicable): Managen
O:\FORMS\Notices\mr-smo-2005.doc

Form MR-SMO



Map Showing the Location of access road and Mascaro operation in Rock Canyon, Utah County, Utah

T. 11 S., R. 2 W., Section 2

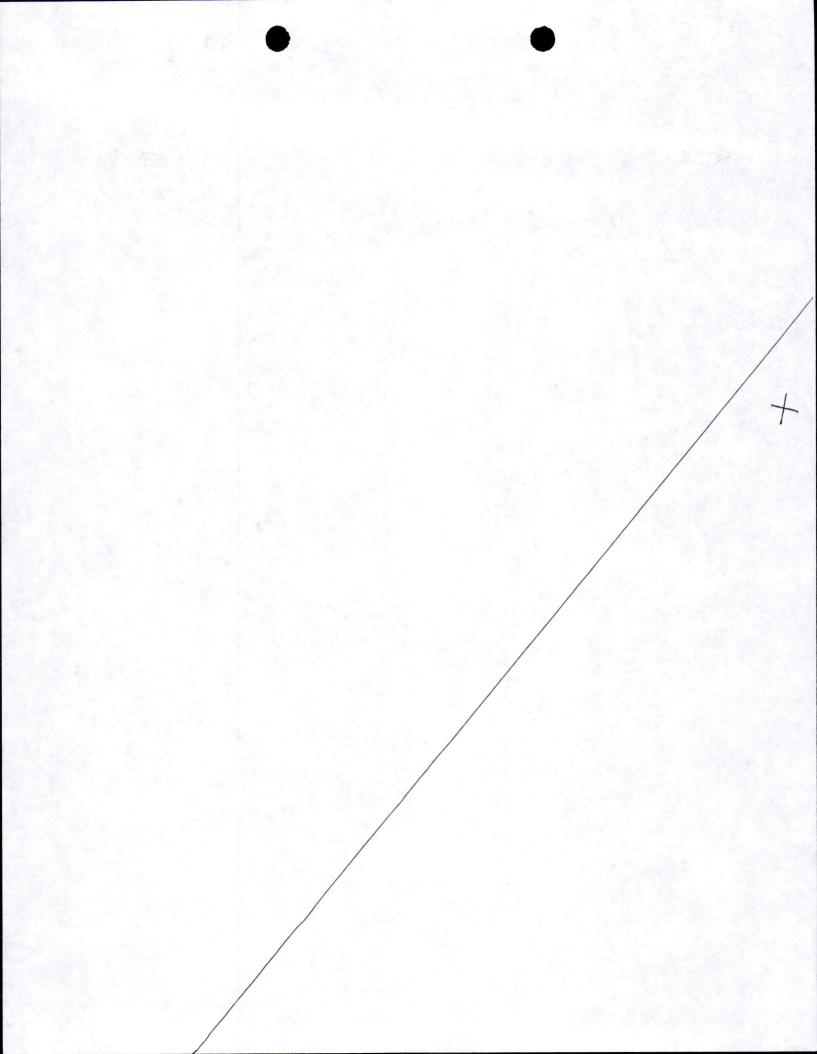
M. Ford

July 12, 2006

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DIV. OIL GAS & MINING

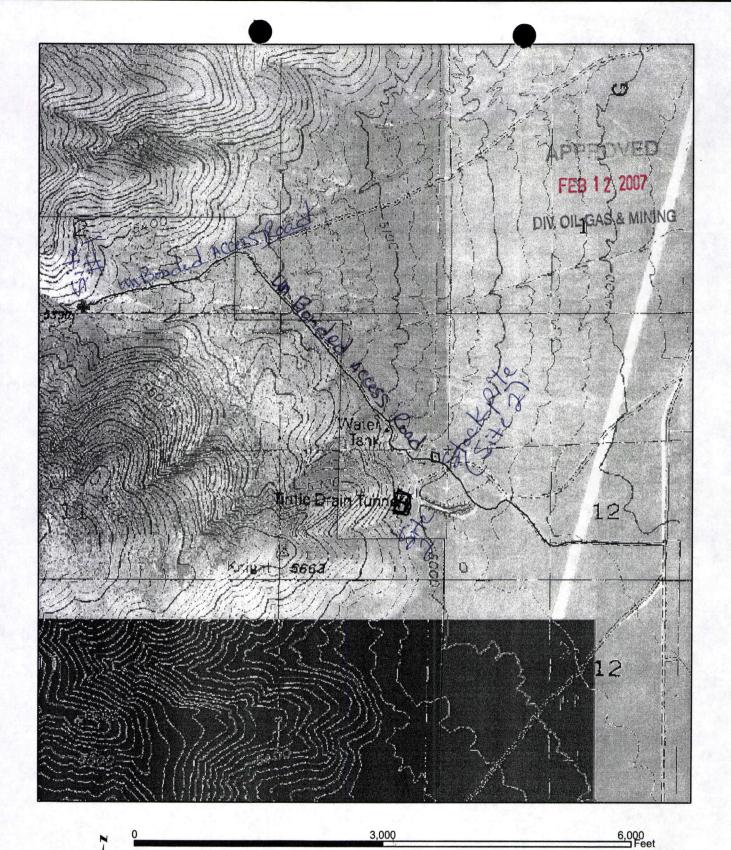


Partions of NE 1/4 of NW 1/4 Section 2 Township 115 range 2W

APPROVED FEB 1 2 2007 DIV. OIL GAS & MINING 340 Callection 7/t Prostings de all

Larry Mine in Mescalo Open Co. Primit # 5/649/055

Scale Guals 100' for 1"



Map Showing the Location of access road and Mascaro operation in Rock Canyon, Utah County, Utah

Portions of, NE 14 of SW 14T. 11 S., R. 2 W., Section 2
Portions of, NE 14 of NW 14

M Ford

Barney Minein Mascalo Draw Co

July 12, 2006

Permit # 5/049/055

APPROVED FEB 12 2007

DIV. OIL GAS & MINING

James B. Mascaro and Sons, LLC **Barney Mine**

M0490055

Barney Mine Area

Klingon Rock Operations

Mine Roads

Access Route

NE/4 of the NE/4 Section 11
Township 11 South, Range 2 West, SLBM
Utah County, Utah

DIV. OF OIL, GAS & MINING

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